



U.S. Small Business Administration
Sacramento Loan Processing Center
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A reminder to all CDC's:

The 2007 version of the 504 Authorization Boilerplate became mandatory on February 5, 2007. All CDC's should now be using the 2007 version.

Notes on the new version:

- The first Loan Information panel has a check box to include Name and Title of person signing on behalf of the CDC. Note that this should *only be used for PCLP loans*, or the CDC signature block will be omitted from the authorization. This is a programming change from the 2004.2 version, which allowed the insertion of a CDC signer name for non-PCLP's. This change has created some confusion among CDC's and required additional processing time by Center staff. Accordingly, this issue will be addressed in a future version of the authorization wizard.
- For appraisals, an additional option has been added to the real estate appraisal requirement to include the phrase "including fixtures and equipment." This should generally be used for businesses such as hotels, gas stations, car washes, assisted living facilities, and in any other instances where personal property is included as part of the overall property value.
- The IRS verification requirement applies only to the prior two years of tax returns submitted with the 504 application, except where three years were required for a size determination.
- The instructions re-emphasize that the Agreement of Franchisor is NOT mandatory for all franchises, nor are any of the 4 individual conditions. Each should be included only as the circumstances of a particular franchise loan approval may require.